

## Foreclosure Prevention Assistance Now Available

By Lieutenant Governor Becky Skillman

Like all Americans, Hoosiers are feeling the effects of the national housing crisis. Millions of families, including thousands here in Indiana, are watching their dream of homeownership become a nightmare.

The causes of foreclosure are as varied as the people it impacts. Unexpected job losses, health care costs and changes in a family's composition – including death of a spouse or divorce – are the leading causes of mortgage default in Indiana.

Foreclosure is devastating to families and their long-term financial security, but it also sends a ripple effect through entire neighborhoods and communities. For example, one foreclosure in Indianapolis reduces the property tax base by nearly \$300,000 in a single neighborhood. And those are assets that could have sent a child to college or provided a more comfortable retirement.

When homes are foreclosed upon, and often boarded-up and abandoned, the value of other homes in the area decreases considerably. As a result, foreclosure can also lead to increased crime and anemic economic growth. Preventing a foreclosure in Indiana can save on average \$43,300 to \$58,000 in costs for the homeowner, financial institutions, local government, and neighboring homeowners.

Because the threat of foreclosure affects us all, we all benefit from finding new ways to combat the problem.

The Governor and I understand that improving Indiana's foreclosure problem is another means to strengthen our economy. Last fall, the General Assembly approved our legislative proposal. We then had the tools to address the foreclosure issue with the launch of a major statewide initiative to assist Hoosiers who are in danger of losing their homes. The Indiana Foreclosure Prevention Initiative was developed by a coalition of lenders, banks, community organizations and housing-related agencies known as the Indiana Foreclosure Prevention Network (IFPN).

Through this unique partnership of the public, private and nonprofit sectors, a toll-free helpline, 1-877-GET-HOPE was established. The helpline is available seven days a week, from 8 a.m. to 8 p.m. The helpline provides free, confidential financial counseling anyone who may be at risk of foreclosure, with no obligation or commitment. Whenever possible, counselors will assist homeowners over the phone. If more extensive assistance is needed, the counselor will refer the homeowner to a certified foreclosure intervention specialist. Also, the Web site [www.877GetHope.org](http://www.877GetHope.org) is available 24 hours a day, seven days a week.

Earlier this month, I updated Hoosiers on the initiative and discussed a statewide public awareness campaign as the second phase in the program's rollout. Since the initiative launched, we are on track to receive more than 20,000 calls to the helpline this year. The campaign, *Don't Let the Walls Foreclose in on You*, began this month and includes billboards, newspaper advertising, and radio commercials in areas of the state that are experiencing high rates of foreclosure. We have also distributed more than 200,000 brochures throughout the state to let Hoosiers know help is available.

Getting help – and getting it early – is critically important.

The sooner homeowners recognize they may be at risk and seek help, the more options they have to avoid foreclosure.

If *you* are behind in your mortgage payments, or think you may soon be, I encourage you to call 1-877-GET-HOPE or visit [www.877gethope.org](http://www.877gethope.org) right now.

It's your home. It's your dream. Make the call.